GARDNER, CARTON & DOUGLAS

321 N. CLARK STREET

SUITE 3400

WRITER'S DIRECT DIAL NUMBER
JOHN W. WATSON
(312) 245-8749
jwstson@gcd.com

CHICAGO, ILLINOIS 60610

(312) 644-3000

FAX: (312) 644-3381

INTERNET: gcdlawchgo@gcd.com

WASHINGTON, D.C.

MEMBER

WORLD LAW GROUP A GLOBAL NETWORK OF INDEPENDENT FIRMS LOCATED IN 30 COUNTRIES

September 19, 2000

Via Facsimile and Express Mail

Mr. Bradley Stimple
On-Scene Coordinator
U.S. Environmental Protection Agency, Region 5
Superfund Division
Emergency Response Branch
77 West Jackson Blvd., SE-5J
Chicago, IL 60604

Re: Nicor Mercury Sites - Scrap Yards

Administrative Order Pursuant to Section 106(a) of CERCLA

Dear Brad:

Pursuant to Section V.1. of the Administrative Order under Section 106(a) of the Comprehensive Environmental Response, Compensation and Liability Act issued to Nicor Gas ("Nicor") and Chicago Heights Iron & Supply on September 6, 2000, this letter shall constitute Nicor's formal notice of intent to comply with the Order as more fully provided herein.

As you know, Nicor previously provided U.S. EPA with a draft of its Removal Action Work Plan to satisfy all of its obligations under Paragraph V.3. of the 106 Order. As we discussed yesterday, the Agency has approved the Work Plan with certain revisions agreed to by and between you and Jim Huff of Huff & Huff, Inc. ("Huff & Huff"), Nicor's designated Project Coordinator. A copy of the final revised Work Plan is being hand delivered to you this morning.

Pursuant to our agreement, Nicor shall commence work to implement the Work Plan this morning, Tuesday, September 19, 2000, beginning at 8:00 a.m. As indicated previously, Mr. Huff shall serve as the Project Coordinator for this site. The contractor retained to implement the Work Plan is Heritage Environmental Services. Information regarding the qualifications of Huff & Huff and Heritage is being provided to you under separate cover. As set forth in the approved Work Plan, Nicor has also retained additional contractors to perform certain aspects of the work.

Please provide us with written confirmation of U.S. EPA's approval of the Work Plan. The implementation of the Work Plan in satisfaction of Nicor's obligations under the 106 Order

Mr. Bradley Stimple September 19, 2000 Page 2

should not be construed by U.S. EPA as an admission of any findings of fact, conclusions of law or liability for the actions undertaken as set forth in the Work Plan and U.S. EPA's Order and Nicor expressly reserves its right to contest such facts, conclusions and allegations in the future.

Please call me if you have any questions or concerns regarding Nicor's implementation of the Work Plan as set forth in this correspondence.

Very truly yours,

John W. Watson

JWW/ac

cc: Thomas Krueger

CH02/22083366.1